

### *Welch-sponsored bill restores market forces to insurance industry*

By a vote of 406 to 19, the House on Wednesday passed legislation sponsored by Rep. Peter Welch to end a decades-old exemption from anti-trust laws for the health insurance industry.

The Health Insurance Industry Fair Competition Act (H.R. 4626) will require health insurance companies to abide by federal anti-trust laws, ending an exemption first established in 1945 by the McCarran-Ferguson Act.

"For 65 years the health insurance industry has benefited from a sweetheart deal most industries could only dream of. They have been free to collude, to fix prices, to divvy up markets among themselves. As insurance company profits have soared, so too have premiums paid by ordinary Americans," Welch said. "This legislation finally puts an end to these monopolistic practices and restores much-needed competition to the market."

In the absence of anti-trust regulations, there have been more than 400 mergers in the health insurance industry during the past 14 years, leaving 94 percent of insurance markets highly concentrated. Between 2000 and 2007, profits in the industry have leapt from \$2.4 billion to \$13 billion.

Welch joined Sen. Patrick Leahy – the longtime champion of Senate efforts to repeal the anti-trust exemption – yesterday on a conference call with Vermont reporters. Sen. Bernie Sanders is a co-sponsor of Leahy's companion legislation in the Senate.